

24 February 1982

MEMORANDUM FOR: Director of Personnel

FROM:

Director, Foreign Broadcast Information Service

SUBJECT: Evaluation of Foreign National Compensation and
Classification Program for FBIS

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Although I have concurred in the attached memorandum, there are two points regarding the Background section (page 1, para. 2) that we believe should be made. First, our understanding of the Congress' intention is that the State Department should aim to assure that agencies administer their foreign national employees in a way that is "compatible"--not identical--with State's classification and compensation system. As the memorandum stands now it seems to give State greater authority than that. Secondly, with reference to FBIS' participation in the State system, we would emphasize that FBIS has had strong reservations about that system from the beginning. We reluctantly and conditionally agreed to attempt to participate in the system because initially we seemed to have no option. As you know, our experience during the past two years has convinced us that State's system does not meet our needs.

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Attachment

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Distribution:

- Orig. - Addressee w/att.
- 1 - C/AS w/att.
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MEMORANDUM FOR: Executive Director

THROUGH: Director, Foreign Broadcast Information Service

FROM: James N. Glerum
Director of Personnel

SUBJECT: Evaluation of the Foreign National
Compensation and Classification Program for
the Foreign Broadcast Information Service

1. Action Requested: Paragraph 4 contains a recommendation for your approval.

2. Background: In 1960, an amendment to the existing Foreign Service Act broadened the scope, responsibility, and authority to manage compensation plans for foreign aliens employed by the U.S. Government abroad. In the Foreign Service Act of 1980, these authorities were clarified and made more precise to specifically include the classification of alien positions. This Act provides that State will administer an interagency classification and compensation system for Foreign Nationals employed by the U.S. Government. Subsequent to the passage of this new Act, the Directors of Personnel and Foreign Broadcast Information Service (FBIS) engaged in a dialogue to determine whether the new interagency system was a viable program for classifying FBIS Foreign National positions. In August of 1979 and in conjunction with this dialogue, the Director of Personnel decided that the Position Management and Compensation Division (PMCD) and FBIS would work closely with the Department of State to become a participating member of the interagency Foreign Service National (FSN) classification and compensation system. Over the past two years, we have attempted to use the Department of State's interagency system, even though FBIS and at least two other participating government agencies have expressed some dissatisfaction with the system. The Director of FBIS has most recently notified me that in his opinion the interagency system is negatively impacting on the FBIS mission because the system is inflexible and fails to meet FBIS's atypical needs. As a consequence, FBIS says it is unable to attract, recruit, and retain the same high-level Foreign National employees it requires.

3. Staff Position:

a. Both the Position Management and Compensation Division and FBIS have recently been involved in re-evaluating the interagency system against FBIS's needs. As this review and the prior and continuing dialogues between all parties concerned have not succeeded to date in resolving FBIS's expressed concerns about the inadequacies of the interagency system, I suggested that an independent and impartial external evaluation of the entire compensation and position classification system for Foreign Nationals be conducted.

Both the Director of FBIS and I recognize that there is a risk in an external evaluation as the recommendation coming from the evaluation may not offer a solution palatable to all parties; however, to resolve expressed concerns, we agree that this evaluation is necessary. To do this evaluation, we both believe it appropriate to hire an outside consultant. Also, the Director General, Foreign Service (Director of Personnel) has been advised that we are in the process of obtaining approval to hire a consultant to review our FBIS Foreign National problem.

b. My intent is to have the consultant study focus on the following areas.

- (1) Review and study the Agency method used to classify positions and compensate FBIS Foreign Nationals that existed prior to FBIS's participation in the interagency system administered by the Department of State.
- (2) Analyze the adequacy of the interagency classification and compensation system as it relates to FBIS Foreign Nationals.
- (3) Recommend a system for CIA to use in classifying positions and compensating FBIS Foreign Nationals, considering mechanisms available elsewhere in the U.S. Government or the private sector as well as long-range human and dollar resource implications to CIA.
- (4) Deliver to the Directors of Personnel and FBIS a written report of the consultant's findings and recommendations.

c. FBIS has agreed to provide the funding for this independent consultant review at a cost not to exceed [redacted] This review would involve overseas travel and extensive interviewing of Foreign Nationals.

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d. Based on recent Agency experience and acceptability to the State Department, we have explored the idea of conducting such a study with the firm of [redacted] (TPF&C). Because of their recent Agency experience, present security clearances, and familiarity with our present classification system and the State system, I believe that under the circumstances a sole source contract with TPF&C is appropriate. TPF&C has indicated an interest in and a willingness to undertake such a study.

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4. Recommendation: Given the magnitude of the Foreign National problem and the potential political ramifications if the Agency ultimately withdraws from the interagency classification system, I recommend that you approve the contracting with [] STAT
[] to undertake a position classification STAT
and compensation study of Foreign National employees at a cost STAT
not to exceed []

James N. Glerum

CONCURRENCE:

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[]

Director, Foreign Broadcast Information Service

24 FEB 1982

Date

The recommendation contained in paragraph 4 is:

APPROVED ()

DISAPPROVED ()

Executive Director

Date

Distribution:

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